

Service Date: December 19, 1989

DEPARTMENT OF PUBLIC SERVICE REGULATION  
BEFORE THE PUBLIC SERVICE COMMISSION  
OF THE STATE OF MONTANA

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|                                    |   |                     |
|------------------------------------|---|---------------------|
| IN THE MATTER of the Application   | ) | UTILITY DIVISION    |
| of US West Communications for      | ) |                     |
| Forbearance of Regulation RE: D.A. | ) | DOCKET NO. 89.10.36 |
| Davidson and Company, Great Falls, | ) |                     |
| Montana.                           | ) | ORDER NO. 5427a     |

FINAL ORDER

FINDINGS OF FACT

On October 4, 1989 US West Communications (USWC) filed an application with the Montana Public Service Commission (MPSC or Commission) requesting forbearance of rate regulation for the provision of intraLATA Message Telecommunications Service (MTS) to D.A. Davison and Company (DAD) pursuant to § 69-3-808, MCA.

On October 10, 1989 the Commission deferred action on this matter for five days pursuant to § 69-3-808(3), MCA.

On October 16, 1989, at a duly noticed work session, the MPSC Granted the forbearance application based upon the alternative offer of MCI Communications to D.A. Davidson and Company.

Although the forbearance statute (§ 69-3-808, MCA) may not permit analysis of the economic merits of USWC's discounted

sales prices in considering the forbearance application itself, the MPSC intends to analyze the merits of such discount prices in later dockets. USWC is hereby put on notice that to the extent any such sales prices fall below the Commission's estimate of relevant marginal costs, the resulting shortfall shall be borne by USWC shareholders.

#### CONCLUSIONS OF LAW

1. USWC provides regulated telecommunications services within the state of Montana and is a public utility under the regulatory jurisdiction of the Montana Public Service Commission, §§ 69-3-101 and 69-3-803(3), MCA.

2. The Commission has authority to supervise, regulate and control public utilities. § 69-3-102, MCA.

3. USWC's application contained the information required by § 69-3-808, MCA and ARM 38.5.2715.

4. Similar telecommunications service is being offered to the customer by a party other than the Applicant. § 69-3-808(3), MCA.

#### ORDER

1. USWC is granted forbearance of rate regulation with respect to the provision of intraLATA MTS to D.A. Davidson and Company.

2. This docket is closed.

Done and Dated this 18th day of December, 1989 by a 5-0 vote.

BY ORDER OF THE MONTANA PUBLIC SERVICE COMMISSION

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CLYDE JARVIS, Chairman

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JOHN B. DRISCOLL, Commissioner

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HOWARD L. ELLIS, Vice Chairman

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WALLACE W. "WALLY" MERCER, Commissioner

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DANNY OBERG, Commissioner

ATTEST:

Ann Peck  
Commission Secretary

(SEAL)

NOTE: Any interested party may request that the Commission reconsider this decision. A motion to reconsider must be filed within ten (10) days. See ARM 38.2.4806.